Guide to Selling Music Sticks

Introduction and Philosophy:

Making a living from music can be quite a challenge. In particular, it is challenging to make a living from original music.

Why is this the case?

First and foremost, you are competing against the greatest musicians of all time. We have heaps of brilliant songs preserved forever in the annals of history, yet here you are in a unique time and space channelling the universe into a human coherent rhythm.

That endeavor takes courage. Simply attempting such a feat deserves praise. But you are reading this document because only trying once isn't good enough. You know deep in your should that you are great. If not, then frankly, selling physical music is not worth your time or effort. For those of you delusional enough to aspire and attain greatness, keep reading.

When music streaming first entered the scene, it appeared as a great answer to the traditional challenges of selling physical records. Artists now had instant global distribution. We could now connect with millions if not billions of fans in an instant.

From the perspective of music fans, we had access to all of our favorite artists and could easily discover new artists and music. However, all of this convenience came at a price.

There were no longer traditional quality standards for what constitutes a publishable piece of music. Yes, more access for artists with less exposure, but at the same time, we have a torrent of mediocre music. This flood of substandard songs overwhelmed the discovery systems making it more difficult for quality artists to break through and find their audience. It makes finding quality artists more challenging for music lovers. To this day, the best way to discover new artists is through word of mouth recommendations and editorial recommendations (i.e. Apple Music Radio, music magazines, Music podcasts).

Music streamers did not double down on human generated editorial recommendations. Instead, they optimized for profit over quality and created a massive payola scheme. Recommendations are not based solely on your interests, but based on artists promoted by large labels paying big money to be put on playlists. My Tyler Childers radio magically had Sabrina Carpenter on it. Not even remotely the same vibe, and I certainly did not ask for that to happen.

Artists who pay the most get the most preferential discovery. On top of this, many folks employ massive bot farms where they generate fake streams. This is literally theft from genuine streams and smaller artists. It is not publicly known how many streams are fake, but we know at this point that every major non-indie artist uses bot farming and fake streaming to appear much more popular than they actually are.

Profit, while important, should not be a priority over great music. This drive for profits over artist development and broadcasting the best possible music has led to the enshittification of the music industry. On top of all that, the profits earned by Spotify

executives, earned on the backs of working musicians, were poured into war machine investments that perpetuate global conflict. This goes against the values of many of these same artists.

For fans, streaming led to a perpetual lease. If a fan stops paying their subscription, they no longer have access to downloaded music, and/or must listen to advertisements every three songs, interrupting their music experience. Additionally, fans' and artists' data gets extracted to sell to the highest bidder, and it is all used to train AI music models meant to circumvent human artists altogether. The entire experiment results in worse music, kneecapping artists big and small, and a continual inflationary race to the bottom.

Modern technologies are a double edged sword. They offer tremendous opportunity and blessing when used for good; but, they offer destruction and exploitation when used for bad.

We here at Happy Place Music refuse to continue down this dystopian fork of reality. So, we created Happy Place Music Player to enable artists to have a fair shot. We've created a viable path for increasing artist revenue that simultaneously restores ownership and connection to fans. Artists give fans direct ownership of music. Fans directly support artists so, they can keep making the beautiful music we all love.

In order to sell music sticks and make them a viable income stream, we have to shift our thinking around the current music business. We first have to believe and accept that we ARE NOT stuck on the current path. There is hope. We can choose to put our energy into a new system that serves artists and fans first and foremost, above maximizing P&L statements. We can all win in a sustainable way.

Once we believe and embrace our own agency, we can spend our energy bringing forth this better version of reality where we all win.

If you've made it this far, I'm going to assume you are on board.

Note: the following ideas are not exhaustive. There are more creative opportunities and possibilities than I have time to list. This guide serves as a primer and beacon of hope meant to get the creative gears turning.

How to Integrate Music Sticks into Your Current Music Business:

Step 1: Create Music Sticks

- We've created a lovely DIY Guide to creating music sticks. The process is not very difficult but can take a bit of time.
- Click here for the DIY Music Stick Guide
- Happy Place Music currently offers several artist services including:
 - Metadata formatting. We take your tracks and make sure all metadata is properly applied to each. We ensure optimal performance for playback in Happy Place Music Player as well as anywhere your audience enjoys your music.
 - Music stick creation. We will ensure all metadata is properly labelled, and will "print" usb flash drives. All drives will be properly formatted and loaded with your music.
 Custom packaging options are available but come at a higher fee.

 We will create the music sticks, then ship them back to you. Please inquire for pricing.

Step 2: Sell Music Sticks

Once you have your music sticks, offer them with your merch! We have created documentation (including QR codes) that streamline the music stick experience for your fans. Display this information alongside your music sticks to help your fans purchase and download Happy Place Music Player so, they can immediately enjoy your tunes on the car ride home.

Pricing Strategies:

We recommend the following pricing structure -

- CD Quality Albums
 - mp3 format at 128kb/s
 - Songs formatted with proper metadata
 - \$15-20 each
- Lossless, Dolby Atmos, and High-Fidelity Albums
 - wav, flac, m4a format
 - Songs formatted with proper metadata
 - \$25-\$30 each
 - Can be USBA or USBC (we recommend USBC as this future proofs the drive)
- In both scenarios, offer a bundle deal where you pair the album with either a lighting-to-USB-A adapter or a USBC-to-USB-A adapter. Sell the adapter for \$5 and bundle it with your album.
 - i.e. \$20 for adapter and CD quality album or \$30 for adapter and Lossless quality album.

This pricing is reasonable considering the current market and streaming subscription prices which average \$13/month for less than CD quality sound.

One creative approach is to allow fans to download a copy of your album from a Master Music Stick. In this scenario, fans can pay \$5-10 for a downloaded copy but forgo the physical drive itself. This would allow fans the convenience of direct artist support, ownership of the music files, and no need to keep track of hardware.

How is this different from iTunes or downloading files on bandcamp?

This is a point of human connection. You and your team are directly sharing your music versus an impersonal online store. It is a point of human contact and connection in a very chronically online world which enhances the entire musical experience.

Additionally, your fans would have no need to hunt for the files in their download folder on their desktop, then try to organize them into a coherent fashion. This download

stores the files appropriately inside of a robust music library within Happy Place Music Player.

Having both physical music sticks for sale as well as the download only option will offer the best experience for fans. Be sure to announce toward the end of your set that you have music available for purchase at the merch table. Let them know it's NOT CDs and it's in a form that is easier and more robust than CDs.

We advise not to abandon streaming altogether. Instead,

the best approach is a <u>Hybrid Approach:</u>

- A. Use streaming for it's reach and convenience benefits. Keep some music such as singles and ep's on those platforms. These serve as a sample for your audience.
- B. Offer physical alternatives to this music. Music sticks are cheap, and easy to create so you can sell them like old single vinyl records.
- C. Restrict specific releases such as albums to physical media.
 - Once someone enjoys your music, they can purchase albums and own a copy. If the only way to get the full album experience is to purchase it, you will generate more revenue as an artist and your fans are further cemented as your fans. When things are too easy to attain, we don't appreciate them as thoroughly.

There are several possibilities when it comes to unique fan experiences.

One such possibility is to record live shows, quickly create music sticks immediately after the show, and sell the very same show for the audience to enjoy. They get to forever have that night's performance that only those who attended had the opportunity to enjoy. It is an amazing memory tied to a great night which they can enjoy repeatedly.

This was not possible utilizing other traditional media formats. CDs take far too long to create to make this a plausible option. USB Music Sticks, however, can be created at breakneck speeds and provided fans are willing to wait a few more minutes, they can have unique recordings of your concert.

Note: we intend to create hardware specifically for this purpose. Stay tuned for updates.

The Non-Streaming Approach

- A. Remove all music from streaming services BUT, keep it available on social media platforms.
- B. Direct fans to purchase physical media in the form of music sticks and other physical formats. Lean into scarcity and in-person experiences which enhances your relationships with your audience and fans.

We highly recommend the hybrid approach as you can leverage the advantages of both models.

Discography and Greatest Hits

For the artists who have multi-album discographies, we advise pricing roughly \$10-15 per album or \$1-2 per song for CD quality versions. For Lossless quality, price \$15-20 per album and \$1.50-2.50 per song.

A 3 album discography would ideally be priced around \$30-45 for CD quality, and \$45-60 for Lossless quality. We can now offer a single piece of hardware that contains vast amounts of music. Use this to your advantage and create win-win scenarios for you and your fans!

We advise creating Greatest Hits albums at a 20–50% markup from regular albums. The reason being is that it took years of iteration and work to generate an entire album of greatest hits. Make sure the entire album is mastered to play well track to track.

COMING SOON

musicstickmarket.com

This is our own music stick marketplace.

How it works:

- O Think of a farmer's market.
- O Artists sign up for their booth to sell their music.
- O There is an annual fee for the market stall to help pay for server costs and website costs, just like how vendors at a Farmer's Market pay booth stall fees to upkeep the overall market.
- O The annual fee will be in the range of \$50-\$100 per year.
- O Once you have a booth, we will offer print on demand services for your albums and music.
 - O A customer orders one of your albums as a music stick.
 - O We create the formatted music stick and ship it to your fan.
 - O You set the price. Customer pays for shipping. We charge you for the physical drive and labor to make and package it.
 - O That's it.

We will not be charging a percentage of sales. We will charge a fixed, upfront fee (for example \$5 per music stick) to create and package your music stick. Whatever price you set in your booth is what the fan pays. We don't take anything extra. No hidden fees. Transparent and straightforward pricing so that you know exactly how much you make from each sale.

We create the music sticks on demand. This saves you time investing in extra inventory and eliminates the logistic hassle of shipping physical product to your fans. We have no intention of handling other merch at this time, as our sole focus is on music stick creation and distribution.

In addition to the market, we have plans to integrate into the ecosystem robust HUMAN made editorials and recommendations. We will either partner with some existing publications or create our own. We want to make it enjoyable to fans to find their new favorite artist. The market will serve as a convenient and easy place for artists to meet fans, fans to meet artists, and everyone more directly support one another, eliminating the middle-man.

Why does the app cost \$10 to download?

The \$10 Happy Place Music Player purchase goes toward app improvements and toward keeping the app private and ad free.

We hate the idea of freemium where you download an app only to find it's unusable unless you pay some subscription. And we are tired of subscriptions that go on forever and increase in price every year. The app fee and <u>musicstickmarket.com</u> are our answers to these issues. Pay once for the things you love. Enjoy them forever.

Contact

Please contact us if you are interested in joining <u>musicstickmarket.com</u>
The first 100 artists who sign up will get two years of annual booth costs for free.
Email us at <u>artists@musicstickmarket.com</u>

Please reach out if you have any questions about Happy Place Music Player, musicstickmarket.com, or how best to begin selling music sticks. We are here to support you and enable a viable living as a music artist. We are a small team, so it may take time to return your message, but we will get to it!

General inquiries: info@happyplacemusic.org